

Legislative Analysis



PUBLIC ACT 51 OF 1951: CONSOLIDATED MAJOR/LOCAL STREET FUND

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House Bill 4853 as introduced
Sponsor: Rep. Pam Byrnes
Committee: Transportation (Discharged)

Complete to 1-18-06

A SUMMARY OF HOUSE BILL 4853 AS PASSED BY THE HOUSE 12-14-05

House Bill 4853 would amend Section 13 of Public Act 51 of 1951 (MCL 247.663) to permit cities and villages to use a single "road fund" to account for Michigan Transportation Fund (MTF) revenue. The single road fund would be in lieu of the separate major and local street funds currently required by Act 51. However, only cities and villages which had adopted an asset management plan as defined in Section 9 of Act 51 would be allowed to adopt the consolidated road/street fund. The bill would further require the following additional information for a qualified asset management plan:

- A list of the major streets in the city or village
- A statement that the city or village is adequately maintaining its major streets
- The dollar amount proposed to be expended on local streets
- A statement that the asset management process is being followed for major and local streets of the city or village.

These requirements for an "asset management *plan*" parallel the information required for an "asset management *process*" under Subsection (6) for cities and villages that wish to transfer more than 25 percent of annual MTF major street funding to the local street fund.

BACKGROUND INFORMATION:

For additional information on Section 13 of Act 51, see the analysis of Senate Bill 334 (Public Act 9 of 2004) from the 2003-04 Legislative session:
<http://www.legislature.mi.gov/documents/2003-2004/billanalysis/house/pdf/2003-HFA-0334-x3.pdf>

FISCAL IMPACT:

House Bill 4853 would have no direct fiscal impact. It would not change the distribution of MTF revenue to local units of government (road commissions, cities, or villages), and would not change the distribution of MTF revenue to particular cities and villages.

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